

DEPARTMENT OF HEALTH SERVICES

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April 29, 1996

PPL No. 96-003

All County Medi-Cal Administrative Activities/
Targeted Case Management Coordinators
Advisory Committee Members

CLAIMING FEDERAL REIMBURSEMENT FOR THE PREPARATION OF TREATMENT AUTHORIZATION REQUESTS

This transmittal is to notify Local Governmental Agencies that the preparation of Treatment Authorization Requests (TARs) cannot be claimed under Targeted Case Management (TCM) and/or Medi-Cal Administrative Activities (MAA).

TARs are submitted by the provider of service, as defined in the California Code of Regulations (CCR), Title 22, Division 3, Section 51051(b), to the Medi-Cal Field Office for review by the field office physician (Medi-Cal Consultant). The payment for the preparation of required authorization or billing forms is factored into the Medi-Cal reimbursement rate that is paid to the provider of service in accordance with CCR, Title 22, Division 3, Section 51502(b). As a result, separate payment cannot be made for similar services that are an integral and inseparable part of another Medicaid covered service.

Although the State Medicaid Manual, Part 4--Services, Section 4302.2 (G)(2) (dated December 1991), lists "Prior authorization for Medicaid services and utilization review" as claimable as an administrative case management activity but not as targeted case management services, in California, the referenced "prior authorization" is the function performed by the Medi-Cal Consultant.

The Agreement Between the Health Care Financing Administration and the State of California Department of Health Services (HCFA Agreement), dated September 27, 1995, identifies the categories of MAA that local governmental agencies may claim for federal financial participation reimbursement. The preparation of TARs does not meet the criteria for any of the identified MAA categories. Therefore, based on this information and the information provided above, the preparation of TARs cannot be claimed under either TCM or MAA.

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If you have any questions, please feel free to telephone the Patient Access Unit analyst assigned to your county.

Sincerely,



Darryl Nixon, Chief
Medi-Cal Benefits Branch

cc: Cathleen Gentry
Host County Liaison
455 Pine Avenue
Half Moon Bay, CA 94019

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| Targeted Case Management: | X |
| Medi-Cal Administrative Activities: | X |
| Policy Effective Date: | July 1, 1995 |
| Policy References: | 1. CCR, Title 22, Div. 3, Secs. 51051(b) & 51052(b) 2. State Medicaid Manual, Part 4--Services, Section 4302.2(g)(2) 3. HCFA Agreement |